



European Sustainable Shipping Forum
4th meeting of the Subgroup on Shipping MRV Monitoring
Brussels, 11-12th April 2016
Location: Albert Borschette Conference Centre, room 2/A
(Rue Froissart 36, 1040 Brussels)

Welcome and Opening

1. After having adopted the Agenda, the sub-group approved the minutes of the 3rd meeting considering the written comments received.
2. The Commission provided background information related to the scope and preparation of legal acts to implement the MRV Regulation, the next steps in the ESSF process and the milestones for the adoption of the legal acts. In the following discussion, the Commission elaborated that the online consultation on the draft legal acts will last at least 4 weeks, if possible longer, and that the members of the ESSF Subgroup on Shipping MRV Monitoring will be informed about the launch of this consultation.

Task 1: Determination of cargo carried for other ship types than passenger, ro-ro and container ships (2nd Working Paper - WP - on determination of cargo carried)

General cargo ships

3. A presentation of the report of work package 2 on determination of cargo carried for general cargo ships was made by **Nick Lurkin, Royal Association of Netherlands Shipowners**, and provided a summary and outcome of the discussions held in this *ad-hoc* group of experts (reference is made to the document produced and circulated to the sub-group ahead of this meeting). In summary, based on recent studies and a physical meeting of the group, the *ad-hoc* group of experts recommends to monitor & report cargo using 'deadweight carried' as the most appropriate parameter with the possibility to additionally report cargo mass on a voluntary basis. The group further recommends the definition of 'deadweight carried' as displacement deducted by the ship's lightweight and the amount of fuel. The group also concluded that all data needed to determine 'deadweight carried' are available and verifiable.
4. In the following discussion, some members asked if the concept of 'deadweight carried' could also be applied to other ship types. The Chair clarified that the *ad-hoc* group of experts has been mandated to consider this

approach for general cargo ships, but that for other ship types, this concept could in principle be considered, if the sub-group decides so. Some members expressed their preference for using mass as cargo parameter for general cargo ships and allow voluntary reporting of 'deadweight carried'.

5. Having in mind the debate, the Chair proposed to follow the recommendations of the *ad-hoc* group of experts to use 'deadweight carried' as the cargo related parameter for general cargo ships based on the proposed definition and to allow voluntary reporting of mass as additional cargo parameter. The sub-group agreed.

Vehicle carriers

6. A presentation of the report of work package 4 on determination of cargo carried for vehicle carriers was made by **Fredrik Larsson, Swedish Shipowners' Association**, and provided a summary and outcome of the discussions held in this *ad-hoc* group of experts (reference is made to the document produced and circulated to the sub-group ahead of this meeting). In summary, the *ad-hoc* group of experts was not able to establish a parameter to express cargo carried for vehicle carriers that sufficiently satisfies all criteria, in particular the fair comparison of energy efficiency of ships. The group also expressed positive views on the use of cargo capacity i.e. 'design deadweight' as parameter while noting that this was outside the scope of the legal MRV framework. Furthermore, the report contains more background on vehicle carriers and the cargo carried by these ships, highlighting the high level of diversity of cargos.
7. In the following discussion, some members raised the question if vehicle carriers could not be treated as other ship types and proposed the use of mass, possibly combined with voluntary reporting of other parameters such as cargo density or 'deadweight carried'. Other members supported the views of the *ad-hoc* group of experts. One member raised concerns about the concept of 'deadweight carried' as the ship design is highly dependent on the need to carry ballast water. Several members confirmed the *ad-hoc* group's analysis that the variation in cargo density is a major issue for this ship type.
8. To kick-off a second round of discussion, the Chair proposed to go back to the terms of reference of the *ad-hoc* group of experts offering options for cargo parameters inspired by the existing IMO framework (EEOI) and parameters used for similar ship types and asked for views on these parameters, namely the mass (directly or indirectly determined), lane meters, number of cargo units and 'deadweight carried'. Given the need to express cargo in one parameter, the EEOI option of 'number of cargo units' has been ruled out as not suitable.
9. During this second round of discussion, the option of reporting mass (including the possibility to determine it indirectly using default values for cargo units) together with a voluntary reporting of 'deadweight carried' received most support. Therefore, the Chair concluded that the subgroup

agreed to recommend this option while noting the concerns raised by some members. The subgroup invited the on-going *ad-hoc* group of experts on Ro-Ro cargo and RoPax ships to look into the possibilities to provide default values for the specific mass of cargo units for vehicle carriers.

Refrigerated cargo ships

10. A presentation of the issue paper on determination of cargo carried for refrigerated cargo ships was made by **Dagmar Nelissen (CE Delft)**, and provided a summary and outcome of the additional work done including consultation of relevant ship owners (reference is made to the document produced and circulated to the sub-group ahead of this meeting). In summary, the issue paper proposes to express cargo as mass and to foresee the possibility of voluntary reporting of energy consumption linked to cargo cooling.
11. Based on questions from some members, it has been clarified that the recommendation addresses pure refrigerated cargo ships and the gross mass of cargo should be reported.
12. The Chair concluded that the sub-group agreed with the proposed cargo parameter and the possibility of voluntary reporting of energy consumption linked to cargo cooling.

Container/Ro-Ro cargo ships (ConROs)

13. A presentation of the issue paper on determination of cargo carried for ConROs was made by **Dagmar Nelissen (CE Delft)**, and provided a summary and outcome of the additional work done including consultation of relevant ship owners (reference is made to the document produced and circulated to the sub-group ahead of this meeting). In summary, the issue paper proposes to express cargo as volume, defined as occupied deck area multiplied by deck height for Ro-Ro cargo and container volume for container cargo.
14. Some members raised concerns about the use of volume due to the possibly higher administrative burden and the desire to aggregate transport work data for different ship types and therefore suggested the use of mass as it has been agreed for most other ship types. The consultants clarified that owners and operators of such ships propose the use of volume as the data are available and the parameter is meaningful for this particular subsector. Other members agreed with the use of volume.
15. Some members proposed the use of cargo capacity i.e. 'design deadweight' whereas other opposed this suggestion.
16. Given that the consultants' recommendation is based on ship owners' views, the Chair asked the subgroup for agreement to this recommendation to use a

specific parameter for cargo this one being a volume-based approach. Despite some concerns raised, the sub-group agreed.

Task 5: Identification of best practice for monitoring MRV relevant parameters

Guidance on cargo parameters for Ro-Ro ships

17. A presentation on Work package 3: Recommendation for cargo parameters for Ro-Ro ships delivered by **Johan Roos (Interferry)** provided a summary and state of play of the discussions held in this *ad-hoc* group of experts. Regarding the treatment of hanging decks and areas on freight decks allocated to passengers, it is proposed to use the monitoring plan to specify the vessel's freight capacity, including hanging decks and the allocation of part of the freight decks to passenger cars. These figures should be used for the entire reporting period. Furthermore, the *ad-hoc* group of experts could not identify suitable default values for the mass of cargo units for RoPax and Ro-Ro cargo ships and recommends the use of ship specific default values to be specified in the monitoring plan.
18. After a brief discussion the Chair, on behalf of the sub-group, thanked the *ad-hoc* group of experts for the work done so far and noted the general support of the sub-group for their proposals and invited them to specify how companies should determine the default values for their ships in the final report. Based on the conclusions on cargo parameters for vehicle carriers, the Chair also proposed to extend the *ad-hoc* group's mandate to the development of similar default values for vehicle carriers.

Recommendations of WSC concerning container ship provisions

19. A presentation on recommendations of WSC concerning container ship provisions delivered by **Wolfram Guntermann (WSC)** provided views of the World Shipping Council on issues related to the determination of cargo carried for container ships (reference is made to the document circulated to the sub-group ahead of this meeting). Suggestions are made on the interpretation and implementation of the methods to determine the total weight of cargo. Furthermore, default values for packed and empty containers are proposed.
20. Some members expressed their support for the recommendations made.
21. The Chair, on behalf of the sub-group, thanked the WSC for their paper, noted the support on the substance expressed by the sub-group and proposed its use as input into the development of guidance and best practice documents. The sub-group agreed with this proposal.

Task 4: Feedback on templates for monitoring plans and emission reports

Working Paper on Automated Systems, Data Exchange Formats including Electronic Templates under the EU MRV Regulation

22. A presentation on the revised Working Paper on Automated Systems, Data Exchange Formats including Electronic Templates under the EU MRV Regulation was delivered by **EMSA** (reference is made to the document produced and circulated to the sub-group ahead of this meeting). It covered an overview of all changes made considering the discussion at the 3rd meeting of the sub-group in January 2016 and the written comments made. Further to the revised paper, EMSA clarified that latest results of the discussions on cargo parameters regarding the voluntary reporting of additional information has to be considered for the emissions report template (e.g. fuel consumption related to dynamic positioning)
23. Some members raised the question how figures for energy consumption for heating or cooling of cargo should be obtained. EMSA suggested the use of fuel consumption by oil-fired boilers for heating purposes; the calculation of fuel consumption related to cooling to be based on energy/electricity requirements taken from the Electric Power Table information i.e. the share of cooling energy as a percentage of the total electricity consumption converted into generators/auxiliary engines' fuel consumption figure. One member raised concerns regarding the consideration of electricity produced by shaft generators. The Chair noted that guidance in particular on cooling energy might be needed and invited members to submit their proposals in writing (also regarding the determination of fuel used for cargo heating and for dynamic positioning).
24. Some members raised the question if voluntarily reported data are subject to verification. The Chair clarified that indeed, all data contained in the emissions report are to be verified to ensure good quality of the data reported and subsequently published. In the following discussion, different views have been expressed and the proposal was made by some members to apply lighter verification requirements to voluntarily reported data. The Chair expressed the need to consult the sub-group on verification and accreditation on this point and in particular on the degree of verification needed for voluntarily reported data.

Working Paper on monitoring plan template

25. A presentation of the Working Paper on the Monitoring Plan was made by PwC & partners (**Dennis Mes, PwC**). This new version was modified according to comments received after the last meeting (reference is made to the document produced and circulated to the sub-group ahead of this meeting).
26. Regarding the two sections of the monitoring plan (company and ship specific), a question was raised by one member: could the MP be

company/fleet-specific or does it necessarily has to be individual/ship-specific? The contractor, while confirming that each ship shall have its own MP, suggested that two separate sections could be made; one section where ship-specific information is to be reported and a second section (optional) which could be company-specific i.e. applied to all ships in that fleet.

27. One member asked when the template will be available. The Commission clarified that the monitoring plan template will be specific by an implementing act on template which will likely be made available for public consultation in summer 2016.
28. Some members expressed concerns about the need to specify names of contact persons for various procedures. One member suggested asking for a name or a function as this would better address the need for small and large companies. The Chair noted support from the sub-group for this suggestion.
29. Regarding references to existing procedures, some members suggested to ask for references to procedures under the SEEMP or ISM code. The Chair noted support from the sub-group for this suggestion.
30. Regarding fuel types used, some members raised the issue that it is difficult to anticipate the exact fuels used, in particular as regards hybrid fuels. Therefore it was suggested to consider in the monitoring plan the fuels which might be used and to keep the fuel type definition rather open. In this context, it was also proposed to consider hybrid fuels as 'other ECA compliant fuels'. The Chair noted support from the sub-group for these suggestions.
31. Some members expressed the need for further explanations or guidance on the exemption for per-voyage monitoring according to Art. 9 (2) of the MRV Regulation, e.g. regarding the voluntary nature of this provision. It has been suggested not to require exact figures on the number of scheduled voyages. The Chair noted support from the sub-group for these suggestions.
32. One member noted that it would be challenging to determine maintenance dates for measurement equipment in the monitoring plan. The Chair agreed that the indication of maintenance intervals should be sufficient.

Working paper on tools facilitating the monitoring and verification workflow under the EU MRV Regulation

33. A presentation on the revised Working Paper on Automated Systems, Data Exchange Formats including Electronic Templates under the EU MRV Regulation was delivered by **EMSA** provided an update on the development of *voluntary modules* under the EU MRV IT Tool. Regarding the working paper on tools facilitating the monitoring and verification workflow under the EU MRV Regulation (reference is made to the document produced and circulated to the sub-group ahead of this meeting), only drafting changes have been introduced based on written comments received. EMSA informed

that the next step of the development process will be the work on technical specifications.

34. Another member reported about companies purchasing software tools to facilitate monitoring and asked how the transfer from such internal systems to the IT tool could be ensured. EMSA explained that a format specification for data upload into the IT tool will be provided (e.g. csv file) which can be used to convert data from company systems into the correct format for upload.

Concluding Remarks

35. The Chair concluded the meeting with a list of actions and responsibilities as follows:

- The minutes of the meeting will be circulated by **EMSA as soon as ready**.
- **Members** are invited to provide written comments on the working paper on monitoring plan templates papers as well on suggestions on the determination of fuel used for cargo heating/ cooling and for dynamic positioning. **Deadline 22 April**.
- A follow-up e-mail will be circulated after the meeting, as well as with the details on the expansion of the terms of reference and a revised timetable of the *ad-doc* expert group on Ro-Ro ships as regards default values for vehicle carriers. To this end, it was agreed that the vehicle carrier experts would engage with the ro-ro task force to work on such default values.
- The next meeting of the sub-group will take place on **24 May** (back-to-back to sub-group on verification & accreditation). The focus of this meeting will be the discussion of the draft report to the ESSF Plenary. More details will be forwarded closer to the event.

[Signed] Carlos Pereira - EMSA (Technical Secretariat)